



Medicago Announces Expansion of Pipeline with the 01/19/2012 Development of a Vaccine for Rabies

QUEBEC CITY, Jan. 19, 2012 /CNW/ - Medicago Inc. (TSX: MDG), a biotechnology company focused on developing highly effective and competitive vaccines based on proprietary manufacturing technologies and Virus-Like Particles (VLPs), today announced that it has successfully completed initial studies towards the development of a new VLP vaccine candidate for rabies. Over the past 12 months, as part of the Company's strategy to further develop a pipeline of products, Medicago has been working diligently to expand the application of its VLP technology to new vaccine targets. Several research-stage products have demonstrated positive results, and the Company is working to advance selected targets into preclinical development, including its rabies vaccine.

Results with the rabies VLP vaccine demonstrated that two doses of one or four micrograms induced protective levels of neutralizing antibodies in a mouse model. Medicago expects to move ahead with GMP process development and a GLP toxicology study in 2012 and, following this, a Phase I clinical trial.

"The rabies virus is a significant problem, particularly in Asia, where current vaccines present challenges to access due to availability and cost, which we believe our VLP vaccine could address," said Andrew Sheldon, President and CEO of Medicago. "We see significant potential for our technologies in the development of VLP vaccines and biosimilars."

Rabies is a significant worldwide problem and, according to the World Health Organization, is responsible for approximately 55,000 deaths per year, primarily in Asia and Africa. While rabies vaccines produced in cell culture are currently available, there is limited access in many geographic areas and cost can be prohibitive. More than 15 million people are vaccinated annually following exposure to the rabies virus, many through a regimen requiring four to five intramuscular doses over three to four weeks. In addition, pre-exposure vaccination is recommended for high-risk groups such as veterinarians, animal handlers and certain laboratory workers.

Medicago's pipeline includes the initiation of a U.S. Phase IIa clinical trial for a trivalent seasonal vaccine with interim data expected in the third quarter of this year. A Phase I clinical trial for a one-dose H5N1 VLP vaccine with a new adjuvant is planned for the second quarter of 2012, in partnership with the Infectious Disease Research Institute (IDRI), with interim data expected in the second half of this year. In addition to vaccines, Medicago is conducting research and development in the area of biosimilar products.

About Medicago

Medicago is committed to provide highly effective and competitive vaccines based on proprietary VLP and manufacturing technologies. Medicago is developing VLP vaccines using a transient expression system which produces recombinant vaccine antigens in the cells of non-transgenic plants. This technology has potential to offer advantages of speed and cost over competitive technologies. It promises a vaccine for testing in about a month after the identification and reception of genetic sequences from a pandemic strain. This production time frame has the potential to allow vaccination of the population before the first wave of a pandemic strikes and to supply large volumes of vaccine antigens to the world market. Additional information about Medicago is available at www.medicago.com.

Forward Looking Statements

This news release includes certain forward-looking statements that are based upon current expectations, which involve risks and uncertainties associated with Medicago's business and the environment in which the business operates. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking, including those identified by the expressions "anticipate", "believe", "plan", "estimate", "expect", "intend", and similar expressions to the extent they relate to Medicago or its management. The forward-looking statements are not historical facts, but reflect Medicago's current expectations regarding future results or events. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations, including the matters discussed under "Risks Factors and Uncertainties" in Medicago's Annual Information Form filed on March 31, 2011 with the regulatory authorities. Medicago assumes no obligation to update the forward-looking statements, or to update the reasons why actual



results could differ from those reflected in the forward-looking statements.

<http://medicago.com/English/news/News-Releases/News-ReleaseDetails/2012/default.aspx>